

IN THE CHANCERY COURT FOR HAMILTON COUNTY, TENNESSEE

HELEN BURNS SHARP AND THE STATE  
OF TENNESSEE *ex rel.* HELEN BURNS  
SHARP,

Plaintiff,

v.

THE INDUSTRIAL DEVELOPMENT  
BOARD OF THE CITY OF  
CHATTANOOGA,

Defendant.

Docket No. 14-0580

Part \_\_\_\_

**PETITION FOR ACCESS TO PUBLIC RECORDS AND COMPLAINT IN THE  
NATURE OF QUO WARRANTO AND FOR DECLATORY JUDGMENT**

Plaintiff, Helen Burns Sharp ("Sharp" or the "Plaintiff"), in her individual capacity and on behalf of citizens of Hamilton County, the City of Chattanooga and the State of Tennessee, in the name of the Attorney General of the State of Tennessee, by and through counsel, hereby brings this action (the "Petition") for access to public records pursuant to Tenn. Code Ann. § 10-7-505; and for a determination of the legality of actions taken by the Industrial Development Board of the City of Chattanooga ("IDB"), in the nature of *quo warranto*, pursuant to Tenn. Code Ann. § 29-35-101, *et seq.* and Tennessee common law, pursuant to Tennessee's Declaratory Judgment Act, Tenn. Code Ann. § 29-14-103, and pursuant to Tennessee's Sunshine Law, Tenn. Code Ann. §§ 8-44-101, *et seq.* (the "Sunshine Law"). Plaintiff also seeks such other relief to which the Plaintiff is entitled.

**PARTIES**

1. Helen Burns Sharp is an individual and taxpaying resident of the City of Chattanooga, Hamilton County, Tennessee, and the State of Tennessee.

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S. LEE AKERS, C&M

2. Defendant, the Industrial Development Board of the City of Chattanooga (the “IDB”), is a public entity subject to the Tennessee Public Records Act, Tenn. Code Ann. § 10-7-503(a). The IDB may be served through the Chattanooga City Attorney, Wade A. Hinton (“Hinton”).

### **JURISDICTION AND VENUE**

3. The acts complained of herein occurred in Hamilton County, Tennessee; constitute improper, unauthorized, wrongful, unlawful, arbitrary and capricious actions of the IDB; directly affect and harm citizens located in the City of Chattanooga and Hamilton County, Tennessee; and relate to the improper expenditure and allocation of public funds collected from the taxpaying citizens located in the City of Chattanooga and Hamilton County, Tennessee.

4. The public records that Sharp has requested on her behalf from the IDB are located in Hamilton County, Tennessee.

5. Jurisdiction and venue are proper before this court pursuant to Tenn. Code Ann. § 10-7-505, Tenn. Code Ann. § 29-35-111, Tenn. Code Ann. § 29-14-102, and Tenn. Code Ann. § 8-44-106.

### **FACTS**

6. MBSC Black Creek, LLC (the “Developer”) is an entity developing the Black Creek Mountain Development (the “Proposed Black Creek Development”). During 2012, the Developer of the Proposed Black Creek Development sought approval of tax increment financing (“TIF”) for construction of certain infrastructure for the Proposed Black Creek Development. Specifically, the Developer was seeking a \$9,000,000.00 loan and all applicable interests to be repaid with tax dollars.

7. The Tennessee Industrial Development Corporation Act (the “TIDCA”), Tenn. Code Ann. § 7-53-101 *et seq.*, is a statute that provides municipalities in the State of Tennessee, in conjunction with an industrial development corporation, with a means of affording tax increment financing for development projects that satisfy statutory criteria.

8. The IDB constitutes an industrial development corporation formed pursuant to the TIDCA.

9. During the period of July 1, 2014, through the date of the Petition, the IDB has had a board of directors (the “Board”), which consists of less than seven individuals serving as directors and at least one director who is not a resident of the City of Chattanooga. The non-resident member was Chris Ramsey, who was also acting as secretary of the Board.

10. Pursuant to Tenn. Code Ann. § 7-53-301, the Board “shall have a board of directors in which all powers of the corporation shall be vested and which shall consist of...not less than seven, all of whom shall be duly qualified electors of and taxpayers in the municipality.”

11. Pursuant to Tenn. Code Ann. § 7-53-301, the Board is to act on behalf of the IDB.

12. Sharp previously filed a Petition on January 29, 2013 (the “filing date”), in the Chancery Court of Hamilton County, seeking relief against the IDB for its actions on or before the filing date relative to the proposed Black Creek Development (the “Prior Suit”).

13. Upon information and belief, in February 2013, Michael A. McMahan (“McMahan”) was a salaried employee of the City of Chattanooga and was acting as the attorney for the City of Chattanooga (“City Attorney”). As City Attorney, McMahan was also representing the IDB.

14. City of Chattanooga Code § 2-194 provides, “[n]o City employee shall, without the consent of the City Council, receive any money or gratuity or compensation in addition to his/her salary for any service he/she may render as an employee.”

15. McMahan offered an opinion letter on February 14, 2013, a copy of which is attached as Exhibit A (“02/14/13 Erroneous Opinion”), in which he stated that he was unaware of any pending litigation or legal proceeding pending before any court; that no consent, approval, authorization or other action is required; that each of the IDB documents had been duly authorized by all necessary corporate action and that each of the IDB documents is a legal, valid and binding, enforceable against the Board.

16. McMahan was paid a fee from the financing proceeds and not by the City of Chattanooga for his 02/14/13 Erroneous Opinion.

17. On or about July 10, 2014, during a hearing in the Prior Suit, McMahan stated that he was a witness.

18. On July 16, 2014, an order was entered in the Prior Suit which provided, in pertinent part, the IDB’s “actions should be declared null, void, and of no effect” and that the “IDB’s resolution granting TIF based upon [the Developer’s Economic Impact Plan]...and approving the note and other documents is null and void... .”

19. On July 24, 2014, a meeting of the IDB was held. Members of the public did appear and provided comments. The Board recessed to have a private meeting with their attorneys, including, but not limited to, McMahan and Hinton. There was no discussion by the members of the Board concerning comments made by members of the public and/or what occurred in the private meeting. The Board reconvened after the private meeting and took no action other than to say they were going to meet again in several weeks.

20. On August 3, 2014, a notice of meeting of the IDB to be held on August 11, 2014, was published, a copy of which is attached as Exhibit B.

21. On August 7, 2014, a notice of meeting of the IDB to be held on August 15, 2014, was published, a copy of which is attached as Exhibit C.

22. On August 7, 2014, request was made by the attorney for Sharp for “copies of the agenda for each of the meetings, any proposed resolutions, emails and any all written documentation furnished to or discussed with any member of the IDB or hereinafter furnished to or discussed with any members of the IDB relevant to any matter to be discussed at the meetings on 08/11/14 (“08/11/14 Meeting”) or 08/15/14 (“08/15/14 Meeting”).

23. Subsequently, on the same day the attorney for Sharp further confirmed in writing to the extent the attorney for the IDB did not believe that the request was not broad enough to cover any communications in writing, whether electronic and/or paper form, the request was for all communications among the representatives (this includes, but is not limited to, the attorneys of the Developer, the City, the County and/or the IDB relative to the topic of either the 08/11/14 or 08/15/14 meeting of the IDB) (“Sharp’s Requests for Records”). No response was received to Sharp’s Requests for Records. Also, Sharp’s attorney advised in writing that notices for the 08/11/14 and 08/15/14 Meetings of the IDB were inadequate. Copies of written communications referenced in Paragraphs 22 and 23 are attached as Collective Exhibit D.

24. On August 11, 2014, a meeting of the IDB was held (“08/11/14 Meeting”), but no action was taken by the Board. There was no discussion among the members of the Board relative to the Proposed Black Creek Development at that time.

25. There was a recess during the 08/11/14 Meeting purportedly to allow members of the IDB time to consult with McMahan, who was currently acting as the IDB attorney in the

Prior Suit and was no longer the attorney for the City of Chattanooga, and Hinton, the current attorney for the City of Chattanooga and the IDB. After the recess, the IDB meeting was reconvened and then adjourned without discussion.

26. On August 14, 2014, the Developer filed a Notice of Appeal in the Prior Suit.

27. Hinton and McMahan's consultation in private with the members of the Board prompted Sharp's attorney, on August 14, 2014, to inform Hinton and McMahan that the 02/14/13 Erroneous Opinion presented a problem with McMahan's continued representation of the IDB relative to issues concerning the Proposed Black Creek Development. Upon information and belief, the problems include, but are not limited to, the 02/14/13 Erroneous Opinion was incorrect for a number of reasons: McMahan had previously stated on July 10, 2014, he was a witness in the Prior Suit and that McMahan now had a self-interest in assuring that the Board took action to ratify the actions of McMahan which were wrongfully done. (See Exhibit E, attached hereto).

28. At the 08/15/14 Meeting (a recording of which is attached as Exhibit F), after the Developer's representatives were purportedly given only three minutes for five different presentations and the members of the public not in favor of the TIF for the Proposed Black Creek Development were given fifteen minutes among five persons, McMahan spent a considerably longer period of time addressing the IDB and presenting a resolution not previously provided, a copy of which is attached as Exhibit G. Contemporaneously, McMahan presented an opinion dated August 7, 2014 (the "08/07/14 Self-Serving Opinion") (a copy of which is attached as Exhibit H), which was not previously or then provided to any member of the public. Members of the public did object during the course of the meeting as to the propriety of McMahan's statements and/or presentation based upon his self-interest, apparent conflict of interest and

advocacy of his position. No opportunity was afforded any member of the public to comment concerning McMahan's presentation.

29. A motion was made and seconded by Ramsey, as a member of the Board, even though he is a non-resident of the City of Chattanooga, to accept this project as eligible for TIF. In addition, Ramsey made a motion which was seconded that the Board ratify the actions of the Board to approve this TIF as a project.

30. Upon information and belief, on September 2, 2014, Hinton confirmed Ramsey was not a resident of Chattanooga.

31. Upon information and belief, as of September 2, 2014, Ramsey was a member of the Board and may continue to be in spite of Hinton's confirmation he is not a resident.

32. Upon information and belief, at this time, the Developer has and will continue to receive and the City of Chattanooga and Hamilton County incremental taxes pursuant to the TIF.

### **CAUSES OF ACTION**

#### **COUNT I. VIOLATION OF THE TIDCA AND THE SUNSHINE LAW**

33. Sharp incorporates by reference paragraphs 1-32 of her Petition, as if restated herein in their entirety.

34. The IDB is required by law to comply with the provisions of the TIDCA.

35. Tenn. Code Ann. § 7-53-301 states, "[t]he corporation shall have a board of directors in which all powers of the corporation shall be vested and which shall constitute of any number, not less than seven, all of whom shall be duly qualified electors of and taxpayers in the municipality."

36. The IDB has violated the TIDCA by having a non-resident of the City of Chattanooga serve on the Board and act as secretary for the Board. The actions taken by the IDB

on August 15, 2014, should be considered a nullity and void because of the non-compliance with Tenn. Code Ann. § 7-53-301 and for the other reasons stated herein.

37. Section 7-53-302(c) of the TIDCA mandates that, “[a]ny meeting held by the board of directors for any purpose whatsoever shall be open to the public.”

38. The IDB is a governmental body, and is required by law to comply with the provisions of Tennessee’s Sunshine Law, Tenn. Code Ann. § 8-44-101, *et seq.*

39. Section 8-44-103 of the Tennessee Sunshine Law requires all governmental bodies to provide adequate public notice of all regular and special meetings.

40. Section 8-44-104 of the Tennessee Sunshine Law requires all governmental bodies to record minutes of all meetings and to make such minutes available to the public for inspection. The Sunshine Law requires the minutes to list all persons present, all motions, proposals and resolutions offered, and the results of any votes taken.

41. Section 8-44-104 of the Tennessee Sunshine Law prohibits any governmental body to conduct secret votes, secret ballots, or secret roll calls.

42. Section 8-45-105 of the Tennessee Sunshine Law provides as follows:

Any action taken at a meeting in violation of this part shall be void and of no effect; provided that this nullification of actions taken at such meetings shall not apply to any commitment, otherwise legal, affecting the public debt of the entity concerned.

43. Section 8-45-106 of the Tennessee Sunshine Law empowers the Court to issue injunctions, impose penalties, and otherwise enforce the purpose of the Sunshine Law upon application of any citizen of the State of Tennessee and requires the Court to permanently enjoin any person adjudged by it in violation of the Sunshine Law.

44. The notices of the 08/11/14 Meeting and 08/15/14 Meeting were inadequate on their face.



45. At the 08/11/14 Meeting and the 08/15/14 Meeting, there was no discussion among the members of the Board pertaining to why the actions of the IDB in February of 2013 should be ratified or how the Proposed Black Creek Development was a project. Members of the Board perfunctorily rubber-stamped whatever previously illegal actions were done in February 2013. Specifically, a motion was made and seconded by Ramsey to accept this project as eligible for TIF. In addition, Ramsey made a motion which was seconded that the Board ratify the actions of the Board to approve this TIF as a project. It was quite apparent there was no meeting in compliance with the Sunshine Law requiring deliberations and discussions be made in public.

46. During the 08/15/14 Meeting, McMahan admitted that members of the Board had been consulted by McMahan in private between October 2012 and February 2013, which resulted in the closing of the TIF on February 14, 2013.

47. Similarly, McMahan had consulted with members of the Board in private at the 08/11/14 Meeting. McMahan apparently emailed the 08/07/14 Self-Serving Opinion, to members of the Board without providing it to members of the public.

48. A request had been made on August 7, 2014, to Hinton for these public documents as well as others (See Exhibit D).

49. McMahan had a self-interest because of his 02/14/13 Erroneous Opinion and apparent violation of City Code § 2-194, as well as being a probable witness in the Prior Suit in which he was representing the IDB.

50. It was obvious at 08/15/14 Meeting, that members of the Board took action without discussion to adopt a resolution in accordance with what McMahan desired.

51. By engaging in the non-public meetings and not having any discussion and/or deliberations in public, directors on the IDB Board and the IDB violated the TIDCA and the Sunshine Law.

52. The violations of the TIDCA and the Sunshine Law by the IDB and the Board have invalidated the IDB's decision to pass the 08/15/14 IDB Resolution relative to the Proposed Black Creek Development.

53. As a result of the IDB's and the Board's violations of the TIDCA and the Sunshine Law, the Court should declare any and all actions taken by the IDB and the Board based upon or in reliance upon the passage of the 08/15/14 IDB Resolution invalid, null and void, and of no legal significance or consequence.

54. As a result of the IDB's and the Board's violations of the TIDCA and the Sunshine Law, the Court should award such further relief as it deems appropriate.

## **COUNT II. PUBLIC RECORDS ACT VIOLATION**

55. Sharp incorporates by reference paragraphs 1-54 of her Petition as if restated herein in their entirety.

56. The IDB is a public entity subject to the provisions of the Tennessee Public Records Act, Tenn. Code Ann. § 10-7-505.

57. The IDB's failure to provide or make available Sharp's Requests for Records constitutes a denial of access to public records under Tenn. Code Ann. § 10-7-505.

58. The IDB lacks any good faith basis for denying Sharp's Requests for Records.

59. Sharp's Requests for Records from the IDB are within the scope of the Tennessee Public Records Act, T.C.A. § 10-7-101 *et seq.*

60. The IDB has willfully refused to disclose the records requested by Sharp, even though the IDB knows or should have known that such records are public. These include the records apparently made available to the Board for use in a private at the 08/11/14 Meeting, but not furnished to the public until after the meeting the 08/15/14 Meeting in spite of Sharp's Requests for Records.

61. As a result of the IDB's violation of the Tennessee Public Records Act, a show cause order should be entered, pursuant to the terms of T.C.A. § 10-7-505, requiring the IDB to immediately appear and show cause, if it has any, why Sharp is not entitled to the relief she has requested under the Tennessee Public Records Act.

62. As a result of the IDB's violation of the Tennessee Public Records Act, the Court should enter an order requiring the IDB to produce and/or make available for inspection the Sharp's Requested records.

63. As a result of the IDB's violation of the Tennessee Public Records Act, the Court should award Sharp her reasonable costs, including attorneys' fees.

### **COUNT III. PRECAUTIONARY ACTION IN THE NATURE OF QUO WARRANTO**

64. Sharp incorporates by reference paragraphs 1-63 of her Petition as if restated herein in their entirety.

65. The IDB has exercised powers not conferred by law and has engaged in acts not authorized by law.

66. Sharp, on behalf of the State of Tennessee, and in the name of the Attorney General for the State of Tennessee, pursuant to Tenn. Code Ann. § 29-35-110, seeks to rectify the improper, unauthorized and unlawful actions taken by the IDB described herein.

67. Pursuant to Tenn. Code Ann. § 29-35-113, the Court is authorized to grant attachments and injunctions and appoint receivers to effect the ends of justice, and to make all such orders, rules, and decrees, according to the practice of a court of chancery, as may be necessary to accomplish the relief sought by Sharp, on behalf of the State of Tennessee.

68. Sharp asserts that the improper, unauthorized and unlawful actions taken by the IDB include, but are not limited to:

- The IDB's passage of the 08/15/14 IDB Resolution approving the "TIF" as a project.
- The ratification of the IDB actions or inactions approving the TIF;
- The ratification of the IDB's issuance of a TIF loan relative to the Proposed Black Creek Development.
- The appointment of non-residents of the City of Chattanooga as members of the Board of the IDB and allowing such members to continue to serve after being notified of a violation of Tenn. Code Ann. § 7-53-301.
- Willful and intentional failure to appoint not less than the seven members of the Board of the IDB even after notice of the requirements of Tenn. Code Ann. § 7-53-301.
- Publication of notice by the IDB and/or the convening a meeting of the IDB without proper authority, the requisite number of members, and/or the intent to have a non-qualified member participate.
- Convening a meeting of the IDB in violation of Tenn. Code Ann. § 7-53-101, *et seq.* and § 8-44-101, *et seq.*

(Collectively referred to herein as the "Unlawful and Unauthorized Actions").

69. If the Unlawful and Unauthorized Actions are not invalidated, vacated and nullified, Sharp will be placed in immediate danger of having her tax burden increased.

70. Despite the requests of Sharp and her representative, the IDB committed the Unlawful and Unauthorized Actions.

71. If not invalidated and vacated, the Unlawful and Unauthorized Actions will result in the illegal and unlawful expenditure of public funds obtained from taxpayers located in the City of Chattanooga and Hamilton County.

72. Sharp, on behalf of the State of Tennessee, and in the name of the Attorney General for the State of Tennessee, requests that the Court vacate and nullify all Unlawful and Unauthorized Actions taken by the IDB, and take all further necessary actions to rectify and remedy the effects of the Unlawful and Unauthorized Actions.

#### **COUNT IV. DECLARATORY JUDGMENT**

73. Sharp incorporates by reference paragraphs 1-72 of her Petition, as if restated herein in their entirety.

74. The IDB has exercised powers not conferred by law and has engaged in acts not authorized by law, including the Unlawful and Unauthorized Actions.

75. Pursuant to Tennessee's Declaratory Judgment Act, Tenn. Code Ann. § 29-14-101 *et seq.*, Sharp seeks a declaration that the Unlawful and Unauthorized Actions taken by the IDB are null and void, and of no legal significance whatsoever.

#### **PRAYER FOR RELIEF**

WHEREFORE, Plaintiff Helen Burns Sharp individually, and on behalf of the State of Tennessee, and in the name of the Attorney General for the State of Tennessee, prays as follows:

(a) That process issue and the Defendant be served with a copy of this Petition and be required to answer within the time set forth pursuant to applicable law;

(b) That the Court enter a show cause order, pursuant to the terms of T.C.A. § 10-7-505, requiring the IDB to immediately appear and show cause, if it has any, why the relief sought by Sharp should not be granted;

(c) That the Court enter an order requiring the IDB to produce and/or make available for inspection of records responsive to Sharp's Requests for Records;

(d) That this Court set the matter for hearing on a date certain in order to determine and issue a declaration as to the rights and liabilities of the parties;

(e) That the Court declare that the Unqualified Opinion Letter Requirement has not been satisfied, and that the TIF loan issued relative to the Proposed Black Creek Development is invalid and/or that such TIF loan should not be repaid from tax proceeds;

(f) That the 08/15/14 IDB Resolution be vacated or declared null, void, and of no effect;

(g) That the 08/15/14 IDB Resolution, and all actions taken in reliance thereon by the IDB, be designated as constituting an exercise of power not conferred by law and/or being conducted outside the laws and regulations governing elections, and, therefore, invalid and void *ab initio*;

(h) For an award in Plaintiff's favor of attorneys' fees, costs and expenses, all as may be provided by laws including, but not limited to, court costs and discretionary costs;

(i) Any other and further general relief that this Court deems just and proper under the circumstances.

**THIS IS THE FIRST PETITION FOR ACCESS TO PUBLIC RECORDS AND COMPLAINT IN THE NATURE OF QUO WARRANTO AND FOR DECLATORY JUDGMENT FILED ON BEHALF OF PLAINTIFF IN THIS MATTER. NO COURT PREVIOUSLY HAS DENIED PLAINTIFF THE RELIEF SOUGHT HEREIN.**

Respectfully submitted,

GRANT KONVALINKA & HARRISON, P.C.

By: \_\_\_\_\_



John P. Konvalinka (BPR # 001780)

Thomas M. Gautreaux (BPR # 023636)

633 Chestnut Street, Suite 900

Chattanooga, TN 37450-0900

423/756-8400

423/756/6518 facsimile

VERIFICATION

Helen Burns Sharp  
Helen Burns Sharp, Plaintiff

STATE OF TENNESSEE            )  
COUNTY OF Hamilton        )

On this the 12<sup>th</sup> day of September, 2014, before me, Notary Public, personally appeared **Helen Burns Sharp**, known to me or proved to me on the basis of satisfactory evidence, to be the person described in and who executed the foregoing instrument as the above-named Plaintiff, who, being duly sworn, by me, deposes and says that the statements in the foregoing Complaint are true to Plaintiff's knowledge, except as to matters therein stated to be on information and belief, and these matters Plaintiff believes to be true.

Sworn to and subscribed before me this 12<sup>th</sup> day of September, 2014.

Jennifer Doherty  
Notary Public

My Commission Expires: 9/10/16

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**MICHAEL A. McMAHAN**

**Attorney at Law**

**100 E. 11<sup>th</sup> Street, Suite 200**

**Chattanooga, TN 37402**

Telephone: (423) 643-8250

Cellular: (423) 991-1132

Facsimile: (423) 643-8255

February 14, 2013

IDB Investor, L.L.C.  
c/o York Capital Management  
767 Fifth Avenue  
New York, New York 10153

Bass, Berry & Sims PLC  
150 Third Avenue South  
Nashville, Tennessee 37201

**Re:    Loan in the amount of not exceeding \$9,000,000 from IDB Investor, LLC (the "Purchaser") to The Industrial Development Board of the City of Chattanooga (the "Board")**

Ladies and Gentlemen:

I have acted as counsel to The Industrial Development Board of the City of Chattanooga, a public, nonprofit corporation (the "Board"), in connection with the referenced loan from the Purchaser to the Board, pursuant to the provisions of a Loan Agreement dated as of the date hereof (the "Loan Agreement") between the Board and the Purchaser. We have been requested by the Board to render this opinion pursuant to the Loan Agreement. The terms used in this opinion that are defined in the Loan Agreement shall have the same definitions when used herein, unless otherwise defined herein.

In connection with this opinion, we have reviewed the following:

- (a)    the Loan Agreement;
- (b)    the Board's Tax Increment Revenue Note in the maximum principal amount of \$9,000,000 executed by Board and payable to the order of Purchaser (the "Note");
- (c)    the Escrow and Disbursement Agreement (the "Escrow Agreement") among the Board, MBSC Black Creek, LLC (the "Developer"), the Purchaser and CapitalMark Bank & Trust (the "Agent");



(d) the Assignment of Tax Increment Revenues, (the "Assignment") from the Board to the Agent for the benefit of the Purchaser assigning the Tax Increment Revenues to secure the Note;

(e) the Development and Financing Agreement among the Board and Black Creek, LLC (the "Development Agreement"); and

(f) the Collateral Assignment of Development Agreement (the "Collateral Assignment") from the Board to the Purchaser.

The Note, the Loan Agreement, the Escrow Agreement, the Assignment, the Development Agreement and the Collateral Assignment are referred to collectively as the "Board Documents."

We have also reviewed such corporate documents and records of the Board, such other certificates of public officials and such other matters as we have deemed necessary or appropriate for purposes of this opinion. As to various issues of fact, we have relied upon the representations and warranties of the Board contained in the Board Documents and upon statements and certificates of officers of the Board, without independent verification or investigation. For purposes of the opinion on the good standing of the Board, we have relied solely upon a good standing certificate of recent date.

We have assumed regarding documents executed by parties other than the Board that such documents are the valid and binding obligations of and enforceable against such parties. We have also assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures (other than the current officers of the Board), the conformity to authentic original documents of all documents submitted to us as certified, conformed or photostatic copies and the legal capacity of all natural persons.

Based on the foregoing, and subject to the assumptions, limitations and qualifications set forth herein, we are of the opinion that:

1. The Board is a public, nonprofit corporation, duly organized, validly existing and in good standing under the laws of the State of Tennessee.

2. Each of the Board Documents has been duly authorized by all necessary corporate action on the part of the Board and has been duly executed and delivered by the Board. The execution and delivery of each of the Board Documents by the Board and the performance by the Board of its obligations thereunder do not contravene the Board's certificate of incorporation or bylaws or any judgment, order or decree of any court or arbitrator known to us after inquiry of officers of the Board specifically directed to the Board or its property and do not constitute a default under or breach of the terms of, or an event that, with the lapse of time or the giving of notice, or both, would constitute a default under or a breach of the terms of, or require the consent (which has not been obtained) of any person under the terms of, any contract to which

the Board is a party or by which any of its property is bound of which we have knowledge after inquiry of certain officers of the Board.

3. Each of the Board Documents is a legal, valid and binding limited obligation of the Board, enforceable against the Board in accordance with its terms, subject to (a) the effect of bankruptcy, insolvency, reorganization, arrangement, moratorium, fraudulent conveyance, fraudulent transfer and other similar laws relating to or affecting the rights of creditors or (b) general principles of equity (including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance, injunctive relief and other equitable remedies) regardless of whether considered in a proceeding at law or in equity.

4. No consent, approval, authorization or other action by or filing with any federal or Tennessee governmental authority is required for the execution and delivery by the Board of the Note or the consummation of the loan of the proceeds of the sale of the Bonds to the Board pursuant to the Loan Agreement or, if required, the requisite consent, approval or authorization has been obtained, the requisite action has been taken or the requisite filing has been made.

To our knowledge after inquiry of the Board, there is no litigation or other legal proceeding pending before any court, governmental agency or arbitrator, or overtly threatened in writing against the Board or its properties.

Our opinion in paragraph 3 is further subject to the qualification that certain waivers, procedures, remedies and other provisions of the Board Documents may be unenforceable under, or limited by, applicable law; however, the inclusion of such waivers, procedures, remedies and other provisions does not render the Board Documents invalid as a whole, and, subject to the other qualifications and limitations set forth herein, there exist, in the Board Documents or pursuant to applicable law, legally adequate remedies for the practical realization of the principal benefits reasonably intended to be provided by the Board Documents, subject to the consequences of any delay that may result from limitations imposed by applicable law.

We express no opinion herein other than as to the law of the State of Tennessee and the federal law of the United States.

Our opinion is rendered as of the date hereof, and we assume no obligation as to advise you of changes in law or fact (or the effect thereof on the opinions expressed herein) that hereafter may come to our attention.

A copy of this opinion may be included in the transcript of proceedings prepared in connection with the issuance and sale of the Note. Subject to the foregoing, this opinion is rendered solely for your information in connection with the above-referenced transaction and may not be delivered or quoted to any other person or be relied upon for any other purpose without our prior written consent.

Sincerely,

A handwritten signature in dark ink, appearing to read "Michael A. McMAHAN", written over a horizontal line.

MICHAEL A. McMAHAN  
Counsel for the Industrial Development  
Board for the City of Chattanooga,  
Tennessee

MAM/mms

①



# August 7, 2014 Notice of August 15, 2014 Meeting

attach to house, \$395 443-0937

Car Stereo Amplifier, Jensen, 400 watts, like new, \$60 564-0601.

Ceiling Light Copper finish \$20 cash only 706-937-3085

Ceramic Mold Collection \$5 in all, etc. cord, \$375 423-910-1367.

China Handout pattern Linen, w/ gold trim 13 pcs, \$50, 870-5662

CHINA, Kent pattern, svc. for 5, \$120. Call 423-870-5662.

China Whirlpool 42" pos. Min. cond. Only \$375, \$475 854-2213

Christmas Tree, good cond. Good \$75. Call 423-771-7358

Classic Table 6 chairs, 50's top grade w/rt iron above \$150 706-866-7876.

Closed Door, Blk'd 64" white, new cord, \$13 423-867-9847

Columns, 4, painted steel, 4x4, car cover window \$20000 852-5173.

Comforter, floral full sz, shams & shirt, \$25 cash only, 706-937-3085.

Eureka Aluminum Frame Backpacker Adult size \$25 423-853-5097

Floppy Disk, 3 1/2" 30 pk. Maxwell (bpf) denim, \$3, 862-5775

Garment Steamer, Jiffy Model J4000 like new \$50, 423-774-0493

GAS FIRE RING, 36 in. w/42 burner nozzles. Only \$50! 423-894-1559

Glider-Rocker, wing back, \$35 please call 706-866-7876



Mitsubishi 62" sat on matching cabinet \$1195 423-847-0965

New Dell Monitor, 16 in. Model 789L Mac, movison, \$2000, 432-0635

Reel to Reel Roberts 770XSS auto, good cond, \$95 423-853-5043.

Zenith 3 channel, wireless intercom, new \$20.00 423-423-7358

PS3 and 2 games Madden 25 and mba2k14 for \$200 298-4028

VHS Videos, 45 or 50 \$35. Call 423-405-3224

Xbox 360 Halo Reach, 4 controllers, 12 games \$380.00 080 762-0872

Old 3 Wheeler bicycle, If you want sell may have buyer, 488-5325.

SEWING MACHINE-Singer, Touch, and sew, 20-zag #700 894-5535

Cash paid TODAY for unwanted items, Jerry @ 423-910-1367

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## NOTICE OF SPECIAL MEETING AND PUBLIC HEARING

NOTICE IS HEREBY GIVEN, pursuant to T.C.A. §§ 8-44-101 et seq., as amended, that a special meeting of THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA is to be held on Friday, August 15, 2014, at 11:00 a.m. in the City Council Assembly Room 1000 Lindsay Street, Chattanooga, Tennessee, to conduct said business and consider legal decisions and advice of counsel pertaining to the Tax Incremental Financing at Black Creek Mountain (the "TIF"), including, but not limited to, reviewing materials related to the TIF, deciding whether to appeal the Court case involving litigation in the matter of Helen Burns Sharp v. Industrial Development Board, et al. (deciding whether to request a rehearing of the case) and to decide whether to ratify the actions of the board to approve the TIF as a project in a previous meeting, and any other business which may come before the Board.

There will also be a Public Hearing to allow community input involving said reconsideration of this TIF as a Project. All interested persons are invited to attend and express their views or send written comments to Wade A. Hinton, Attorney for the Board, 100 East 11th

Place Your Classified, [www.timefreepress.com](http://www.timefreepress.com)

## LEGAL NOTICES

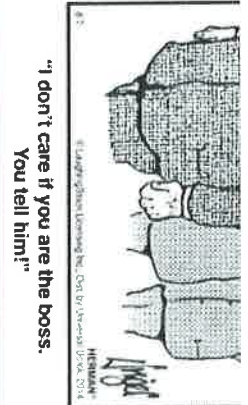
Street, Suite 200, Chattanooga, Tennessee, 37402 (telephone (423) 643-8250)

## LEGAL NOTICES

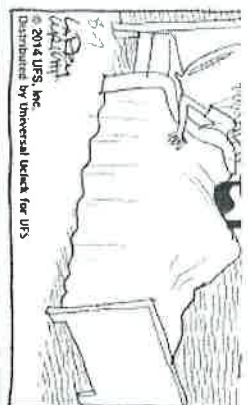
IN THE CITY OF CHATTANOOGA, HAMILTON COUNTY, TENNESSEE: 1st Two (2), Underwood/Carter Subdivision as shown by Plat recorded in Plat Book 49, page 309, in the Register's Office of Hamilton County, Tennessee.

situated in the Fourth Civil District, Sequatchie County, Tennessee, and more particularly described as follows, to-wit: Being Lot Number Two (2) of Tract Trail Village Subdivision as shown by the registered plat of said subdivision recorded in Plat Book 8, Page 132, Register's Office of Sequatchie County, Tennessee. ALSO KNOWN AS: 1340 Tract Trail, Dandridge, Tennessee 37327

This sale is subject to all matters



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relationship, development, and other matters. The RFP Coordinator shall be notified in the RFP no later than seven calendar days after initial RFP advertisement. **Pre-Proposal Conference:** UTC Facilities Office Administrative Services Room, 400 Palmistree Street, Room 326, Chattanooga, TN, at 2:00 p.m. local time on August 12, 2014. **Proposal Deadline:** Proposals received by the Owner at the address below until 12:00 p.m. local time on September 2, 2014.

**AREA 3 HOUSES FOR SALE**  
Chatt. regio 1109 N. Chamberlain 2 BR, 1 bath, \$14,500, 423-304-4041  
City of East Ridge

**BUSINESS PROPERTY**  
2400 E. 11th St. #202  
Chattanooga, TN 37403

**EXHIBIT**  
tabbles

## John Konvalinka

---

**From:** John Konvalinka  
**Sent:** Thursday, August 07, 2014 10:37 AM  
**To:** 'Hinton Wade'  
**Subject:** RE: IDB mtg

Thank you for your response.

This is a request for copies of the agenda for each of the meetings, any proposed resolutions, emails and any and all written documentation furnished to or discussed with any member of the Industrial Development Board of the City of Chattanooga or hereinafter furnished to or discussed with any members of the Industrial Development Board of the City of Chattanooga relative to any matter to be discussed at the meetings on 8/11 and/or 8/15.

Also, please be advised that the notices that were published for the meetings that are scheduled to be conducted by the Industrial Development Board of the City of Chattanooga on August 11, 2014 and August 15, 2014 are inadequate.

---

**From:** Hinton Wade [mailto:hinton\_wade@chattanooga.gov]  
**Sent:** Thursday, August 07, 2014 10:19 AM  
**To:** John Konvalinka  
**Subject:** RE: IDB mtg

Good morning John

This email is confirmation that the meeting for August 11th will take place as scheduled.

Thanks.

Wade A. Hinton  
City of Chattanooga  
City Attorney / Chief Legal Officer  
(423) 643-8250

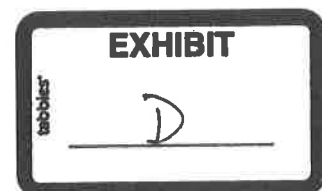
----- Original message -----

**From:** John Konvalinka  
**Date:** 08/07/2014 9:05 AM (GMT-05:00)  
**To:** Hinton Wade  
**Subject:** FW: IDB mtg

I have received emails from Michael McMahan and Phil Noblett stating to their knowledge the meeting on 8/11 is still proceeding. This is to request confirmation that the IDB meeting on 8/11/14 will be held.

---

**From:** John Konvalinka  
**Sent:** Thursday, August 07, 2014 8:27 AM  
**To:** 'hinton\_wade@chattanooga.gov'  
**Subject:** FW: IDB mtg



Is the meeting on 8/11/14 of the IDB cancelled?

*John P. Konvalinka*  
*Grant, Konvalinka & Harrison, P.C.*  
*633 Chestnut Street*  
*Suite 900 Republic Centre*  
*Chattanooga, TN 37450-0900*  
*(423) 756-8400 Phone*  
*(423) 756-6518 Facsimile*  
*jkonvalinka@gkhpc.com*

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## John Konvalinka

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**From:** John Konvalinka  
**Sent:** Thursday, August 07, 2014 11:39 AM  
**To:** 'Hinton Wade'  
**Subject:** IDB

Also, to the extent you do not believe that my request was not broad enough to cover any communications in writing, whether electronic and/or in paper form, this to request all communication among the representatives (this includes, but is not limited to, the attorneys) of the developer, the city, the county and/or the industrial development board of the city of Chattanooga relative to the topics of either the August 11 or 15 meetings of the IDB.

*John P. Konvalinka  
Grant, Konvalinka & Harrison, P.C.  
633 Chestnut Street  
Suite 900 Republic Centre  
Chattanooga, TN 37450-0900  
(423) 756-8400 Phone  
(423) 756-6518 Facsimile  
[jkonvalinka@gkhpc.com](mailto:jkonvalinka@gkhpc.com)*

## John Konvalinka

---

**From:** John Konvalinka  
**Sent:** Thursday, August 14, 2014 3:32 PM  
**To:** 'Hinton Wade'  
**Cc:** 'Michael McMahan'  
**Subject:** MSBC  
**Attachments:** 2013-02-14 McMahan Opinion Letter.pdf

Attached is the opinion letter purportedly delivered to the IDB on or about 2/14/13. I submit that this presents a problem with Mike's continuing representation of the IDB relative to this matter.

*John P. Konvalinka  
Grant, Konvalinka & Harrison, P.C.  
633 Chestnut Street  
Suite 900 Republic Centre  
Chattanooga, TN 37450-0900  
(423) 756-8400 Phone  
(423) 756-6518 Facsimile  
[jkonvalinka@gkhpc.com](mailto:jkonvalinka@gkhpc.com)*



Sharp v. The Industrial Development Board of  
the City of Chattanooga  
Hamilton County Chancery Court  
Docket No. \_\_\_\_\_

**CKH**  
GRANT KOVALINKA & HARRISON, P.C.

Exhibit F to Petition for Access to  
Public Records and Complaint in the  
Nature of Quo Warranto and for  
Declaratory Judgment

September 12, 2014

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA**

**MEETING DATE: AUGUST 15, 2014**

WHEREAS, The Industrial Development Board of the City of Chattanooga (the "Corporation") is a public corporation organized under and pursuant to the provisions of Sections 7-53-101, *et seq.*, of Tennessee Code Annotated, as amended (the "Act"), which Act was designed for the purpose of developing and promoting the public good and general welfare, trade, commerce, industry and employment opportunities and promoting the general welfare of the State of Tennessee; and

WHEREAS, at a duly called meeting on May 1, 2012, the Corporation approved and adopted that certain Economic Impact Plan (the "Economic Impact Plan") for an area consisting of approximately 190 acres of undeveloped land on the southern side of the existing Black Creek community, approximately 2,000 acres beside and on Aetna Mountain, southwest of the existing Black Creek community, and road easements through property owned by Tennessee River Gorge Trust connecting the aforementioned tracts of land (the "Plan Area"); and

WHEREAS, at duly called meetings, the Hamilton County Board of Commissioners approved the Economic Impact Plan as acknowledged by Resolution No. 612-27 adopted on June 6, 2012, and the City Council of the City of Chattanooga approved the Economic Impact Plan as acknowledged by Resolution No. 27143 adopted on June 19, 2012; and

WHEREAS, the Economic Impact Plan permits certain tax increment financing ("Tax Increment Financing") for certain public improvements in the Plan Area (the "Project") to be provided through the issuance of the Corporation's bonds, notes, and other obligations in the total amount not to exceed \$9,000,000 (collectively, the "Black Creek TIF Transaction"); and

WHEREAS, at a duly called meeting on October 15, 2012, the Corporation adopted a Resolution approving of the instruments necessary to execute and carry out the transactions relating to the Black Creek TIF Transaction, subject to receipt of an opinion of the Attorney General of the State of Tennessee or an unqualified opinion of other counsel, in each case, that the Economic Impact Plan described a "project"; and

WHEREAS, the Corporation received an opinion from George H. Masterson, Esq., of Bass Berry & Sims PLC that the Economic Impact Plan described a "project" and on February 14, 2013, a closing occurred with respect to the Black Creek TIF Transaction. Mr. Masterson's opinion and the manner in which it was received and adopted, however, were called into question in a lawsuit styled *Sharp, et al., v. The Industrial Development Board of the City of Chattanooga, et al.*, in the Hamilton County, Tennessee Chancery Court, Case No. 13-0048; and

WHEREAS, the Corporation desires to cure any alleged or actual defects regarding (1) whether the Corporation has properly received and adopted an unqualified opinion of counsel that the Economic Impact Plan described a "project"; (2) whether the manner in which such opinion was received and adopted complies with the Open Meetings Act, Sections 8-44-101, *et seq.*, of Tennessee Code Annotated; and (3) any related matters; and



WHEREAS, at duly called meetings on August 11, 2014 and August 15, 2014, the Corporation has provided the public with an opportunity to know the facts relating to the matters at issue in this Resolution and to comment on them, and the Corporation has conducted new and substantial reconsideration of those issues, including the August 7, 2014 legal opinion of Michael A. McMahan, Esq., counsel to the Corporation, that the Economic Impact Plan described a "project"; and

WHEREAS, the Corporation has received, considered, discussed, and debated at a duly called meeting the August 7, 2014 legal opinion of Mr. McMahan that the Economic Impact Plan described a "project," and the Corporation by majority vote has determined that this legal opinion constitutes an unqualified opinion of counsel that the Economic Impact Plan described and describes a "project" and shall be and is hereby approved and adopted; and

WHEREAS, the Corporation desires to completely cure any alleged or actual defects relating to its approval and adoption of the unqualified opinion of counsel that the Economic Impact Plan described and describes a "project," and the Corporation also desires fully and finally to reaffirm and to ratify the following: (1) the Black Creek TIF Transaction; (2) the closing of the transactions relating to Black Creek TIF Transaction; (3) the previous execution of any and all documents relating to the Black Creek TIF Transaction; and (4) actions properly taken in reliance on the Black Creek TIF Transaction; and

WHEREAS, it appears that the August 7, 2014 unqualified legal opinion of Mr. McMahan that the Economic Impact Plan described a "project" and all other documents now before the Corporation at this meeting are in appropriate form and are appropriate instruments to be accepted or executed and delivered by this Corporation for the purposes intended.

NOW, THEREFORE, BE, AND IT IS HEREBY RESOLVED, by the Board of Directors of The Industrial Development Board of the City of Chattanooga, having received the unqualified legal opinion of counsel that the Economic Impact Plan described and describes a "project," as follows:

RESOLVED, That the Black Creek TIF Transaction, the closing of the transactions relating to Black Creek TIF Transaction, and the previous execution of any and all documents relating to the Black Creek TIF Transaction are hereby fully and finally approved, reapproved, reaffirmed, ratified, and confirmed, and the Black Creek TIF Transaction shall proceed according to the terms and conditions of the Documents (as that term is defined in the Corporation's Resolution dated October 15, 2012); and further

RESOLVED, That the terms and conditions of this Corporation's Resolution dated October 15, 2012 are approved, reapproved, reaffirmed, ratified, and confirmed and shall remain in full force and effect; and further

RESOLVED, That all acts of any other of the officers of the Corporation that are in conformity with the purposes and intent of this Resolution and in furtherance of the Black Creek TIF Transaction, including without limitation, the execution and delivery of other documents in connection therewith, shall be and the same hereby are in all respects approved, reapproved, reaffirmed, ratified, and confirmed.

**MICHAEL A. McMAHAN**

**Attorney at Law  
1132 Ridgetop Drive  
Chattanooga, TN 37421**

Telephone: (423) 894-7397  
Cellular: (423) 991-1132

August 7, 2014

**VIA E-MAIL AND U.S. MAIL**

Mr. Ray Adkins  
326 Shady Lane  
Chattanooga, TN 37419

Ms. Breege Farrell  
1 Fountain Square  
Chattanooga, TN 37402

Mr. Henry "Skip" Ireland, III  
511 Raven Wolf Road  
Chattanooga, TN 37421

Mr. James Miller  
c/o First Tennessee Bank  
5526 Brainerd Road  
Chattanooga, TN 37411

Mr. Chris L. Ramsey  
*Director – Office of Health Care Reform*  
Blue Cross Blue Shield of Tenn  
1 Cameron Hill Circle  
Chattanooga, TN 37402

Mr. James Woods  
502 Lindsay Court  
Chattanooga, TN 37403



Re: Black Creek TIF

Gentlemen and Ms. Farrell:

I have independently concluded that Black Creek is a qualified project within the meaning of T.C.A. §7-53-101 and that it is eligible for tax increment financing under T.C.A. §7-53-312(c). The critical words or phrases contained in the economic impact plan for Black Creek are "pollution control facilities" and "project," because those are the defined terms in T.C.A. §7-53-101(12)-(13) set forth below.

**Sec. 7-53-101. Chapter definitions.**

\* \* \*

- 12) "Pollution control facilities" means any equipment, structure or facility or any land and any building, structure, facility or other improvement on the land, or any combination thereof, and all real and personal property deemed necessary therewith having to do with or the end purpose of which is the control, abatement or prevention of water, air, noise or general environmental pollution, including, but not limited to, any air pollution control facility, noise abatement facility, water management facility, waste water collecting systems, waste water treatment works or solid waste disposal facility;
- (13) "Project" means all or any part of, or any interest in:
  - (A) Any land and building, including office building, any facility or other improvement on the land, and all real and personal properties deemed necessary in connection therewith, whether or not now in existence, that shall be suitable for the following or by any combination of two (2) or more thereof:
    - (i) Any industry for the manufacturing, processing or assembling of any agricultural, mining, or manufactured products;
    - (ii) Any commercial enterprise in selling, providing, or handling any financial service or in storing, warehousing, distributing or selling any products of agriculture, mining or industry;
    - (iii) Any undertaking involving the use of ship canals, ports or port facilities, off-street parking facilities, docks or dock facilities, or harbor facilities, or of railroads, monorail or tramway, railway terminals, or railway belt lines and switches;
    - (iv) All or any part of any office building or buildings for the use of such tenant or tenants as may be determined or authorized by the board of directors of the corporation, including, without limitation, any industrial, commercial, financial or service enterprise, any nonprofit domestic corporation or enterprise now or hereafter organized, whose purpose is the promotion,

support and encouragement of either agriculture or commerce in this state or whose purpose is the promoting of the health, welfare and safety of the citizens of the state;

- (v) Any office or other public building for any city, county or metropolitan government of the state of Tennessee or any board of public utilities, or any public authority, agency, or instrumentality of the state of Tennessee or of the United States;
- (vi) Any buildings, structures and facilities, including the site of the buildings, structure and facilities, machinery, equipment and furnishings, suitable for use by any city, county or metropolitan government of the state of Tennessee or any for profit corporation operating buildings, structures and facilities, including the site of the buildings, structures and facilities, machinery, equipment and furnishings, under contract with any city, county or metropolitan government of the state of Tennessee as health care or related facilities, including, without limitation, hospitals, clinics, nursing homes, research facilities, extended or long-term care facilities, and all buildings, structures and facilities deemed necessary or useful in connection therewith;
- (vii) Any nonprofit educational institution in any manner related to or in furtherance of the educational purposes of such institution, including, but not limited to, classroom, laboratory, housing, administrative, physical education, and medical research and treatment facilities;
- (viii) Any planetarium or museum;
- (ix) Any facilities for any recreation or amusement park, public park or theme park suitable for use by any private corporation or any governmental unit of the state of Tennessee, including the state of Tennessee;
- (x) Any multifamily housing facilities to be occupied by persons of low or moderate income, elderly, or handicapped persons as may be determined by the board of directors, which determination shall be conclusive; and
- (xi)(a) Any undertaking involving the operation or management of the Job Training Partnership Act program pursuant to 29 U.S.C. § 1501 et seq. It is the legislative intent to include such project in order to increase employment opportunities pursuant to § 7-53-102.

The TIF expenditures for Black Creek will involve both a public road and sewer lines located inside Chattanooga. The purpose of a sewer line is to convey the sewage to a treatment plant to prevent water pollution. Sewer lines are very clearly "waste water collecting systems." Sewer lines clearly fall within the definition of "Pollution control facilities" as defined in T.C.A. §7-53-101(12).



T.C.A. §7-53-101(13) defines "Project." Quoting from subsection (A): "Any land and building, including office building, any facility or other improvement to the land ...suitable for any of the following or by any combination of two (2) or more thereof." There are 13 subsections. At least three of them are relevant to Black Creek.

Subsection 13(A)(ii) lists "any commercial enterprise in selling, providing or handling any financial service or in storing, warehousing, distributing or selling any products of agriculture, mining and industry." This is a very broad definition.

Subsection 13(A)(iv) is likewise very broad: "(iv) All or any part of any office building or buildings for the use of such tenant or tenants as may be determined or authorized by the board of directors of the corporation, including, without limitation, any industrial, commercial, financial or service enterprise ...".

Subsection 13(A)(x): "Any multifamily housing facilities to be occupied by persons of low or moderate income, elderly, or handicapped person as may be determined by the board of directors, which determination shall be conclusive;"

The economic impact plan identifies a number of commercial facilities that are to be included in the development including a village center with retail and commercial space, a restaurant, a banquet facility, a corporate retreat and training facility, and an office park. It is my opinion that each of these would qualify as a project under T.C.A. §7-53-101(13)(A)(ii) and (iv). The assisted living facility fits within the definition of 13(A)(x). A public road is an "improvement on the land" that will facilitate these commercial facilities.

I would also point out that pursuant to T.C.A. §7-53-312(C) it is the province of the Chattanooga City Council and the Hamilton County Commission to approve the "economic impact plan" and the Tax Increment Plan. That is not a burden that is placed on the IDB. The County Commission adopted Resolution 612-27 on June 6, 2012, approving the Black Creek Economic Impact Plan. On June 19, 2012, the Chattanooga City Council adopted Resolution 27143 approving the Economic Impact Plan. Accordingly, it is my opinion that this Black Creek project meets the requirements of Tennessee law for Tax Increment Financing.

Sincerely,



MICHAEL A. McMAHAN

MAM